

Section 1650. 481 Employer Contribution Required for Salary Increases in Excess of 6%

The employer contribution required under 40 ILCS 5/16-158(f) will be determined as follows:

- a) Calculate the member's monthly benefit using salaries as reported excluding that part of the member's salary that exceeds the member's annual full-time salary rate with the same employer for the preceding year by more than 20%.b) Calculate the member's monthly benefit using salaries as reported excluding that part of the member's salary that exceeds the member's salary with the same employer for the preceding year by more than 6%.
- c) Subtract (b) from (a).
- d) Multiply (c) by a Monthly Benefit Factor for the member's exact age at the retirement date. The Monthly Benefit Factors are based on the actuarial assumptions of the System for life expectancy and investment return.
- e) If a member's monthly benefit is not calculated on an average salary, this calculation will not be performed.
- f) If there is more than one employer during the final average salary period, each employer will pay its respective contribution based on salary increases granted by that employer in excess of 6%.

(Source: Added at _____ Ill. Reg. _____, effective _____, 2005)